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## BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

MODIFICATION OF MAIL CLASSIFICATION SCHEDULE REGARDING PARCEL SELECT NONPRESORT

Docket No. MC2013-29

### RESPONSE OF THE UNITED STATES POSTAL SERVICE **TO ORDER NO. 1613**

(January 14, 2013)

The United States Postal Service hereby files its responses to the questions contained in Order No. 1613, issued on January 9, 2013. The questions are stated verbatim and are followed by the Postal Service's responses.

Respectfully submitted,

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 In its Notice, the Postal Service states that the proposed change will permit certain mailers to mail fewer than 50 Parcel Select Nonpresort pieces "under certain conditions contained in the Domestic Mail Manual." Please identify and describe those conditions.

#### **RESPONSE:**

The revised minimum volume requirement allows commercial mailers to qualify for Parcel Select Nonpresort pricing when their mailings meet any one of the following conditions:

- At least 50 pieces or 50 pounds of mailpieces claiming Parcel Select
   Nonpresort prices in a single mailing;
- No minimum volume when part of a mailing of at least 50 Parcel Select pieces;
- No minimum volume when postage is paid through a USPS-approved PC Postage system.
- No minimum volume when part of a combined parcel mailing that already
  meets the minimum volume eligibility standards for each mail class within
  the applicable mailing program in section 705 of the Domestic Mail
  Manual (DMM).

These conditions were published in Postal Bulletin 22353 (December 27, 2012) and will be added to section 453.3.3 of the DMM pending Commission approval of the revision proposed in this Docket.

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 Absent the proposed change in the minimum volume requirement for Parcel Select Nonpresort, please identify and describe the current mailing options for mailers not meeting the current minimum Parcel Select volume requirement.

#### RESPONSE:

Commercial mailers currently have two primary options for sending residual single-piece ground service parcels: 1) Parcel Post®, when part of a combined manifest mailing and when postage is paid using permit imprint, or; 2) Parcel Select Nonpresort, when part of a mailing containing at least 50 Parcel Select pieces or as an individual mailing when postage is paid using PC Postage.

In Order No. 1411, the Commission conditionally approved the transfer of Parcel Post to the Competitive product list.<sup>1</sup> The three conditions listed in Order No. 1411 were satisfied when the Commission approved the Postal Service's competitive prices in Docket No. CP2013-3.<sup>2</sup> As indicated in the Federal Register Notice for the Competitive Price Change filing, Parcel Post (renamed "Standard Post™") will no long be available using permit imprint.<sup>3</sup> Accordingly, effective January 27, 2013, mailers using an approved manifest-mailing system (which requires the use of permit imprint) will no longer be able to add residual single-piece Parcel Post items to their manifest mailings.

Although manifest-mailers would have been able to use PC Postage to send single-piece Parcel Select Nonpresort parcels as individual shipments

<sup>&</sup>lt;sup>1</sup> Docket No. MC2012-13, Order No. 1411: Conditionally Granting Request to Transfer Parcel Post to the Competitive Product List, at 14-15 (July 20, 2012).

<sup>&</sup>lt;sup>2</sup> Docket No. CP2013-3, Order No. 1536: Approving Changes in Rates of General Applicability for Competitive Products, at 11-12 (November 8, 2012).

<sup>&</sup>lt;sup>3</sup> 77 Fed. Reg. 65280, 65282 (October 26, 2012). Going forward, Parcel Post will only be available for purchase at the retail counter or by using retail postage payment methods (i.e. meter or stamps).

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(separate from their manifest mailings), many of these mailers requested that the Postal Service continue to allow them to add residual single-piece ground service parcels to their manifest mailings. The proposed revision to the minimum volume requirement for Parcel Select Nonpresort is intended to accommodate the mailers' request.